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Bankrupt smelter's execs settle case for \$3.1 million Documents say there was no finding of fraud in Chemetco case.

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The president of bankrupt Chemetco Inc., his relatives and associates, as well as several companies controlled by them, agreed Friday to a \$3.1 million settlement with a bankruptcy trustee who'd accused them of looting the company before it sought bankruptcy in 2001.

Laura Grandy, who oversaw Chemetco's four-year bankruptcy proceeding, last year sued President John Suarez as well as dozens of others she claimed were "insiders," accusing them of draining off \$30 million.

But settlement documents filed on Friday in Bankruptcy Court in East St. Louis say that there was no finding of "fraud or breach of fiduciary duty," by Suarez and others.

The settlement includes 26 companies and individuals besides Suarez, ranging from his children, to his Souldard restaurant, the Lynch Street Bistro, to his industrial firms. Suarez, of Ladue, had been individually accused of taking \$650,000 from the company, which he claimed as expenses.

In the settlement, Suarez and 12 others have collectively agreed to pay the \$650,000 to the bankruptcy case. He couldn't be reached for comment.

The \$3.1 million total will be divided up among the company's creditors.

Grandy said that when she filed suit last year, she didn't have access to all the documentation concerning payments between Chemetco and Suarez's other companies or those with close ties to him. The \$30 million figure arose by looking at four years of payments to those firms and individuals.

Chemetco was a large smelting company near Hartford. It had been the focus of numerous environmental complaints before shutting down four years ago.

Before Suarez bought it in 1993, an owner ordered the deliberate pumping of industrial waste into a nearby lake through a secret pipeline. That owner was charged criminally, but hasn't been taken into custody.

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